

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.1204a Qualification as registered insurance agent program of study; criteria; conducting portion of minimum number of classroom hours of instruction; rules; recommendations for improvements in course materials; failure to maintain reasonable standards.

Sec. 1204a. (1) To qualify as a registered insurance agent program of study, the program of study shall meet all of the following criteria:

(a) Be conducted through an educational institution offering home study courses that has been in existence for not less than 5 years, by an insurance trade association, by an authorized insurer as provided in subsection (2), or by an educational institution listed in the state board of education directory of institutions of higher learning.

(b) Except as provided in subsection (2), provide for a minimum number of hours of classroom instruction or its equivalent in home study or online courses as follows:

(i) In the case of a program of study for health insurance agents, 14 hours of instruction on the principles of health insurance and 6 hours of instruction on the requirements of the insurance laws of this state.

(ii) In the case of a program of study for life insurance agents, 20 hours of instruction on the principles of life insurance and 6 hours of instruction on the requirements of the insurance laws of this state.

(iii) In the case of a combined program of study for life and health insurance agents, 14 hours of instruction on the principles of health insurance, 20 hours of instruction on the principles of life insurance, and 6 hours of instruction on the requirements of the insurance laws of this state.

(iv) In the case of a program of study for property and casualty insurance agents and solicitors, 12 hours of instruction on the principles of property insurance, 6 hours of instruction on the requirements of the insurance laws of this state, and 22 hours of instruction on the principles of liability insurance.

(c) Include instruction in ethical practices in the marketing and selling of insurance.

(d) Instruction shall be given only by individuals who meet the qualifications required by the commissioner. The commissioner, after consulting the insurance agent education advisory council, shall promulgate rules prescribing the criteria which must be met by a person in order to render instruction in a registered insurance agent program of study.

(2) An authorized insurer may conduct that portion of the minimum number of hours of instruction under subsection (1) as the commissioner deems appropriate. Any combination of classroom, online, or self-study hours may be used in satisfying the minimum number of hours of instruction under subsection (1).

(3) The commissioner shall promulgate rules prescribing the subject matter that a program of study must possess to qualify for registration under this section.

(4) The commissioner may make recommendations for improvements in course materials as deemed necessary by the commissioner. The commissioner may, after notice and opportunity for a hearing, withdraw the registration of a program of study which does not maintain reasonable standards as determined by the commissioner for the protection of the public.

History: Add. 1986, Act 173, Imd. Eff. July 7, 1986;—Am. 1987, Act 64, Imd. Eff. June 25, 1987;—Am. 2006, Act 442, Imd. Eff. Oct. 19, 2006.

Popular name: Act 218